

Cabinet Meeting on Wednesday 21 February 2024

Green Solutions – SCC delivery of the Pilot Business Energy Advice Service



Councillor Philip White, Deputy Leader and Cabinet Member for Economy and Skills said,

“As a county council, we are committed to supporting local businesses in becoming more environmentally friendly.

We believe that providing businesses with the necessary skills to understand how they can make their business greener is the first step towards a greener economy.

The Green Solutions project offers professional Energy Assessments, free carbon literacy training, and up to £100k worth of grants to

local businesses.

This scheme is designed to help up to 300 local businesses in the area transition to a more sustainable future.”

Report Summary:

Supporting businesses to grow and thrive is a top priority for Staffordshire County Council, as is tackling Climate Change. We have a Green Solutions Programme in place that provides free advice and grants to businesses to reduce energy use and costs, supporting about 60 businesses a year.

At the end of last year, the Department for Energy Security and Net Zero (DESNZ) launched a pilot programme for SMEs with combined Authorities around the West Midlands and Staffordshire was approached to see if it could deliver this programme in Staffordshire and Stoke-on-Trent. This will allow us to support 300 businesses with energy advice and £2M of grants to make improvements.

Recommendations

I recommend that Cabinet:

- a. Grants retrospective authority following a Members Decision Notice to enter into a funding agreement with the West Midlands Combined

Authority (WMCA) to become the Primary Delivery Partner for the Stoke and Staffordshire region, to deliver Energy Assessments and Grants on behalf of the Pilot Business Energy Advice Service (BEAS) programme in the Stoke and Staffordshire region alongside their Green Solutions Programme.



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Recommendations of the Deputy Leader and Cabinet Member for Economy and Skills

I recommend that Cabinet:

- a. Grants retrospective authority following a Members Decision Notice to enter into a funding agreement with the West Midlands Combined Authority (WMCA) to become the Primary Delivery Partner for the Stoke and Staffordshire region, to deliver Energy Assessments and Grants on behalf of the Pilot Business Energy Advice Service (BEAS) programme in the Stoke and Staffordshire region alongside their Green Solutions Programme.

Local Member Interest:

N/A

Report of the Director for Economy, Infrastructure and Skills

Reasons for Recommendations:

1. A Members Decision Notice to enter into a funding agreement with the West Midlands Combined Authority (WMCA) to become the Primary Delivery Partner for the Stoke and Staffordshire region, to deliver Energy Assessments and Grants on behalf of the Pilot Business Energy Advice Service (BEAS) programme in the Stoke and Staffordshire region alongside their Green Solutions Programme has been completed. This report seeks retrospective approval for the decision.
2. Development of the programme by WMCA/ The Department for Energy Security and Net Zero (DESNZ) has been 'at pace' with final detail of delivery and contracts received on 19th December 2023. The approval of the Members Decision Notice will enable us to maximise the timeframe for operational delivery and enable flow of support and grant funding to Staffordshire and Stoke businesses.

Background

3. Staffordshire County Council was invited by West Midlands Combined Authority (WMCA) to become the Primary Delivery Partner for the Staffordshire and Stoke-on-Trent region, to deliver Energy Assessments

and Grants on behalf of the Pilot BEAS programme in the Staffordshire and Stoke-on-Trent region alongside their Green Solutions Programme.

4. The programme will deliver 300 Energy Efficiency Assessments and £2M in grant funding to small and medium sized businesses SME's in Staffordshire and Stoke-on-Trent.
5. Becoming a delivery partner in the Pilot BEAS programme also allows the County Council to support Stoke-on-Trent businesses. Officers have consulted with Stoke on Trent City Council and with their agreement secured, can offer grants to the Stoke and Staffordshire area in totality. This was a required of the grant from the WMCA. As SCC had structures and programmes already in place, this was deemed the most efficient way to deliver the programme in a challenging delivery window.
6. The time frames for the delivery of the Pilot BEAS programme are short. The Department for Energy Security and Net Zero (DESNZ) require at least 4,000 energy efficiency assessments (nationally) to be completed by the 31st of March 2025. To achieve this target, WMCA as Accountable body for this funding, are aligning the Pilot BEAS with regional and local programmes which will ensure efficiencies through utilising our existing local networks. In SCC's case it has been aligned with our own Green Solutions Programme
7. The objectives of the Pilot BEAS are in summary:
 - a. Learn lessons and gather data to inform future policies on energy demand reduction, and
 - b. Support energy demand reduction in Small and Medium-sized companies.
8. Becoming a delivery partner in the Pilot BEAS programme enables us to significantly expand on the current SCC Green Solutions programme from supporting 60 business to 300 businesses contributing to our strategic objectives to reduce SCC's carbon emission to achieve Carbon Zero by 2050 by supporting the Economy to Become Net Zero as set out in our [Corporate Delivery Plan](#). The Members Decision Notice has enabled the Council to move quickly to get the money out to businesses at the earliest opportunity, to help as many as possible in a very short delivery period. Energy costs are a key component to business activity and programmes which drive those costs down yet contribute to environmental sustainability must be a positive outcome.

Delivery

9. Energy Assessments: businesses are able to apply for this free, independent assessment that looks at their energy consumption, provides recommendations and an action plan to minimize energy usage, save money and reduce carbon emissions.
10. Low Carbon Grant: following the assessment, the programme provides an opportunity for businesses to apply for grants of between £1,000 and £100,000 (covering up to 50% of eligible costs). Available per business to implement recommendations from an Energy Assessment. This may include, but is not limited to:
 - a. Ventilation (fans, distribution, destratification fans)
 - b. Heating (replacement boilers, burners, heat pumps)
 - c. Lighting (LED, controls, sensors)
 - d. Refrigeration
 - e. Compressors
 - f. Insulation
 - g. Recycling & Waste (compactors, balers & crushers)
 - h. Water management
 - i. Other buildings measures e.g. glazing
 - j. Cooling
 - k. Controls
 - l. Equipment upgrades
 - m. Hot water efficiency measures
 - n. Humidification
 - o. Small appliances
 - p. Submetering where monitoring of an energy consuming process could drive reductions in consumption
 - q. Energy management software including training costs where there is clear evidence that a substantial proportion of the consumption would be reduced.
11. A Grant panel will be in place with requisite expertise to approve applications ensuring compliance to the programme.

Timescales

12. Work to commence on: 2 October 2023 (WMCA eligible expenditure in contract is backdated)
Work in progress: 2 Oct 2023 – 31 March 2025
Work completed on date below: 31st March 2025

Legal Implications

13. Due to the timescales, Council Officers consulted with the Monitoring Officer to agree the approach to proceed by way of a Member's Delegated Decision and then obtain retrospective approval from Cabinet. Legal Services have reviewed the MoU and Funding Agreement, there was a limited ability to seek amendments to the documentation as it was template documentation based on the central government grand funding arrangements which were entered into with WMCA which WMCA then flowed down to the Council. Appropriate procedure and processes are in place to ensure compliance including subsidy control, data/privacy aspects, limitation of liability and insurance. Following completion of the the Members Delegated Decision documents have been executed by SCC and are now with WMCA for execution and completion.

Resource and Value for Money Implications

14. Budget provision is within the Funding Agreement to SCC from WMCA as follows:

	23/24	24/25	TOTAL
Energy Assessments	£87,500	£212,500	£300,000
Grant Allocation	£160,000	£1,840,000	£2,000,000
Project Management	£95,000	£250,000	£300,000
TOTAL	£342,500	£2,302,500	£2,645,000

15. Project management costs are covered by the funding including marketing budget to be delivered by SCC Campaigns Officer and staffing three new posts. There is no requested financial contribution from the County Council to deliver the Pilot BEAS.
16. The BEAS programme will form a large part of the Green Solutions programme which has existing funding from SCC of £60,000 and UKSPF allocations of £660,000. The BEAS funding is additional and not duplicating existing funding.
17. The funding will be claimed from WMCA is monthly in arrears. Working with the finance team processes and controls are in place, following best practice we are familiar with from the successful delivery of ERDF business support programmes.

Climate Change Implications

18. This programme will support transitioning Staffordshire to Net Zero. The County Council recognises it has a wider leadership role to play in collaborating with public and private partners in supporting the county of Staffordshire to become net zero where c.5.8m tonnes of carbon is

produced annually. Action on this will need to be co-ordinated at a national, regional, and local level if this is to be achieved.

19. Energy Assessments will provide businesses with clear information on where and how energy savings can be made to support the transition.
20. The recent Climate Change Annual Report 22/23 to Cabinet notes that Achieving net zero requires considerable investment to retrofit properties and decarbonise businesses. Securing external funding is critical to transitioning to Net Zero – this programme secures £2M external funding.
21. Grants will encourage investment by businesses in energy efficient manufacturing, process equipment and buildings measures.
22. The programme will support Staffordshire's businesses to achieve long term sustainability and maximise their business opportunities and efficiency through reduced energy usage and spend.
23. Investment through grants will also stimulate demand for Net Zero goods and service in Staffordshire supporting the expansion of the green economy leading to high value green jobs, skills and growth.

List of Background Documents/Appendices:

Appendix 1 - GS Cabinet Members Delegated Decision

Appendix 2 - Climate Change Annual Report 22_23

Community Impact Assessment

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